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Minnesota Labor Market Review

September 1988 Supplement

Nation

Unemployment Rate Edges Upward; Payroll Employment Rises Modestly As Factory Employment Declines

The nation's seasonally adjusted unemployment rate rose 0.2 of a percentage point to 5.6 percent in August after a rise of 0.1 of a point in July from the 14-year low of 5.3 percent in June. Seasonally adjusted nonfarm payroll employment climbed by 219,000 in August after a gain of 200,000 in July. The payroll employment increases in July and August were significantly below the average monthly gain of 363,000 during the first half of the year. Employment in manufacturing fell by 5,000 in August after increases of 45,000 in July and 54,000 in June. The biggest drop was 8,000 in textile manufacturing. Nevertheless, employment in nonelectrical machinery, electrical equipment, instruments, printing and publishing continued to climb.

Other Indicators Also Suggest Slower Growth

Retail sales and housing starts fell in August while industrial production and personal income rose very modestly. Yet, personal consumption expenditures which includes spending for services rose moderately. Real gross national product also grew more slowly in the second quarter.

State

The Rising August Unemployment Rate Was Not Expected; Payroll Employment Climbs Modestly

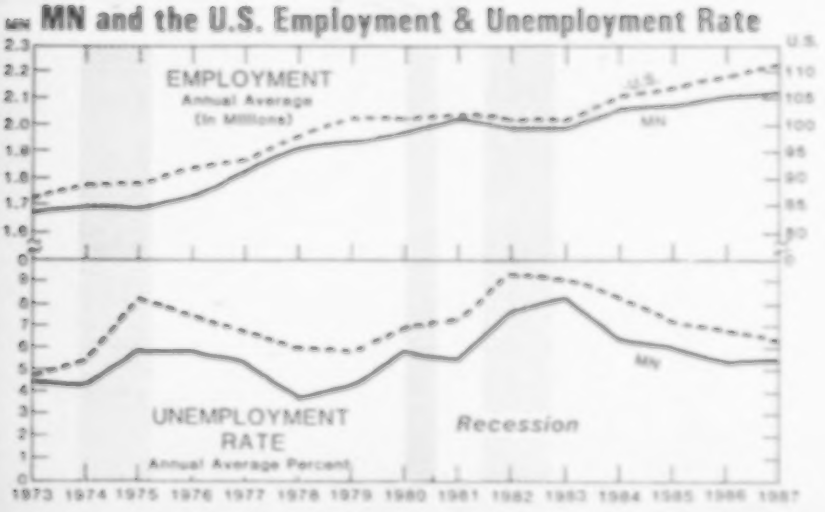
Minnesota's seasonally unadjusted unemployment rate edged up to 3.6 percent in August from 3.5 percent in July. The rise was unexpected since the rate usually declines from July to August. Seasonally adjusted nonfarm payroll employment rose by only 2,285 in August after gains of 4,974 in August and 8,911 in July. The slower growth in payroll employment was due to decreases in durable goods manufacturing employment, especially in transportation equipment and computer manufacturing and in two of the transportation industries, namely,local transportation and trucking and warehousing. Also, the trade and services industry sectors grew more slowly in August.

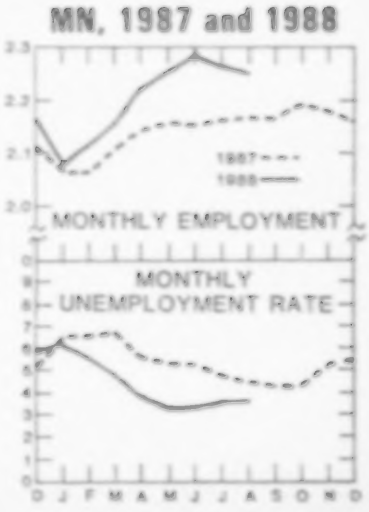
On the other hand, employment in construction which had declined for five consective months on a seasonally adjusted basis edged up in August as building construction and special trades employment rose modestly. Over the year, payroll employment was up by 58,600. The largest over-the-year gains were in the services industry (20,636), trade (16,636) and manufacturing (14,200).

By Ben Boyle

Labor Force Estimates

	MINNESOTA (Numbers in Thousands)			UNITED STATES (Numbers in Millions)		
	August 1988	Change From		August 1988	Change From	
		Last Mo.	Year Ago		Last Mo.	Year Ago
Civilian Labor Force	2330.8	-9.2	75.1	123.4	-0.5	1.8
Employed	2254.1	-12.2	92.8	116.7	-0.3	2.2
Unemployed	84.7	3.0	-17.7	6.7	-0.2	-0.4
Unemployment Rate						
Actual	3.6	0.1	-0.9	5.4	-0.1	-0.4
Seasonally Adjusted	n.a.	n.a.	n.a.	5.6	0.2	-0.4





Minnesota Nonagricultural Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS2/					
						Average Weekly Earnings		Av. Hourly Earnings		Average Weekly Hrs.	
	August 1988	July 1988	August 1987	July 1988	Aug. 1987	August 1988	August 1987	August 1988	August 1987	Aug. 1988	Aug. 1987
Total Nonagricultural	**2,034.3**	**2,025.5**	**1,977.0**	**0.4**	**2.9**	-	-	-	-	-	-
Manufacturing	**399.1**	**394.5**	**385.2**	**1.2**	**3.6**	**431.39**	**424.56**	**10.42**	**10.28**	**41.4**	**41.3**
Durable Goods	235.0	231.9	224.7	0.5	4.6	457.45	455.80	10.84	10.75	42.2	42.4
Lumber and Furniture	24.2	24.2	22.2	-0.1	8.9	530.35	507.78	12.22	11.70	43.4	43.4
Stone, Clay and Glass	9.5	9.6	9.1	-0.3	3.0	434.00	423.15	10.26	10.50	42.3	40.3
Primary Metals	7.2	7.1	6.5	1.4	10.5	415.04	425.20	9.72	9.47	42.7	44.9
Fabricated Metals	33.9	34.1	33.5	-0.4	1.4	515.21	513.54	12.18	11.86	42.3	43.3
Nonelectrical Machinery	82.1	81.7	79.8	0.6	3.0	473.34	471.24	11.19	11.22	42.3	42.0
Office and Computing	39.3	39.6	39.7	-0.7	-0.9	514.07	529.20	11.71	12.25	43.9	43.2
Electrical Machinery	30.3	30.0	28.3	0.9	7.1	357.32	371.05	8.61	8.71	41.5	42.6
Transportation Equipment	10.4	10.4	9.7	-0.3	6.6	468.79	500.98	11.49	11.76	40.8	42.6
Scientific Instruments	31.6	31.1	30.1	1.6	5.0	441.15	428.16	10.38	10.17	42.5	42.1
Misc. Manufacturing	5.9	5.9	5.5	-0.4	7.8	395.75	389.06	9.82	9.80	40.3	39.7
Nondurable Goods	164.1	162.6	160.5	2.2	2.2	398.57	387.03	9.89	9.70	40.3	39.9
Food and Kindred	51.9	48.6	51.2	6.6	1.3	365.07	343.62	8.49	8.26	43.0	41.6
Textiles and Apparel	5.0	4.9	5.1	1.2	-2.0	285.14	263.41	7.33	7.10	38.9	37.1
Paper and Allied	33.0	33.2	33.2	-0.7	-0.6	490.59	496.93	11.85	11.72	41.4	42.4
Printing and Publishing	47.2	47.1	45.2	0.2	4.4	395.67	384.80	10.93	10.40	36.2	37.0
Chemicals and Petroleum	11.2	11.1	10.9	1.0	2.2	480.03	472.39	12.34	12.02	38.9	39.3
Rubber, Plastic & Leather	15.9	15.6	14.9	1.6	6.6	364.67	339.68	8.96	8.80	40.7	38.6
Nonmanufacturing	**1,635.2**	**1,631.0**	**1,591.8**	**0.3**	**2.7**	-	-	-	-	-	-
Mining	7.5	7.5	7.0	0.3	8.4	572.88	549.54	13.02	12.90	44.0	42.6
Metal Mining	5.4	5.4	4.8	0.2	12.0	599.71	592.62	13.85	14.11	43.3	42.0
Construction	88.7	88.8	94.8	2.1	-4.3	616.18	619.64	15.56	15.15	39.6	40.9
Transp., Comm., Pub. Util.	100.4	100.8	99.7	-0.4	-0.6	-	-	-	-	-	-
Transportation	65.6	66.0	65.5	-0.6	0.1	-	-	-	-	-	-
Trucking & Warehousing	26.1	26.3	27.0	-0.6	-3.1	388.08	417.09	12.60	12.16	30.8	34.3
Comm. & Public Util.	34.8	34.8	34.2	-0.1	1.6	582.54	603.68	14.60	14.76	39.9	40.9
Trade	514.8	509.5	497.7	1.0	3.4	232.80	232.92	7.76	7.79	30.0	29.9
Wholesale	127.6	126.5	123.4	0.9	3.4	407.63	422.58	10.87	10.78	37.5	39.2
Retail	387.2	383.0	374.3	1.1	3.4	181.53	178.43	6.53	6.56	27.8	27.2
Building Materials	18.3	18.5	17.8	-1.1	2.6	327.60	329.28	8.40	8.40	39.0	39.2
General Merchandise	58.1	55.7	55.1	0.8	5.7	162.56	150.78	6.35	5.89	25.6	25.6
Food Stores	52.1	51.7	49.9	0.8	4.2	196.88	199.08	6.86	7.01	28.7	28.4
Automotive	41.7	41.5	40.2	0.5	3.8	327.77	323.51	9.13	9.35	35.9	34.6
Apparel	19.7	19.4	19.5	1.6	1.3	126.48	124.66	5.27	5.13	24.0	24.3
Home Furnishings	17.4	17.1	16.3	1.6	7.1	254.43	243.18	7.71	7.72	33.0	31.5
Eating and Drinking	131.1	131.0	130.1	1.6	2.3	114.95	107.14	4.75	4.72	24.2	22.7
Fin., Insur., Real Estate	125.1	125.0	121.4	0.1	3.0	-	-	-	-	-	-
Finance	57.0	57.1	56.2	-0.2	1.4	-	-	-	-	-	-
Insurance	46.5	46.2	44.4	0.5	4.6	-	-	-	-	-	-
Real Estate	21.7	21.7	20.8	-0.2	4.1	-	-	-	-	-	-
Services	503.0	500.3	482.2	0.5	4.3	-	-	-	-	-	-
Personal Services	25.5	25.1	24.1	1.7	5.8	-	-	-	-	-	-
Business Services	101.6	100.1	93.9	0.5	8.2	-	-	-	-	-	-
Repair Services	20.9	21.0	19.6	-0.3	7.1	-	-	-	-	-	-
Health Services	158.5	158.2	150.9	0.2	2.4	-	-	-	-	-	-
Hospitals	53.5	53.4	51.6	0.1	3.7	-	-	-	-	-	-
Nursing Homes	41.5	41.5	42.1	0.1	-1.4	-	-	-	-	-	-
Legal Services	15.1	15.1	14.3	-0.4	5.4	-	-	-	-	-	-
Private Education	19.6	18.9	19.0	3.3	3.2	-	-	-	-	-	-
Government	291.7	290.9	289.0	-1.8	1.6	-	-	-	-	-	-
Federal	34.0	34.2	33.3	-0.5	2.2	-	-	-	-	-	-
State	70.5	70.8	68.9	-0.4	2.4	-	-	-	-	-	-
Education	32.4	32.9	32.2	-1.3	0.8	-	-	-	-	-	-
Local	189.2	194.0	186.9	-2.5	1.3	-	-	-	-	-	-
Education	86.6	90.4	84.2	-4.0	3.1	-	-	-	-	-	-

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Minneapolis–St. Paul MSA

By Kevin Alaspa

The Unemployment Rate Increases Slightly

The unemployment rate increased from 3.1 percent in July to 3.3 percent in August. The total labor force declined while total employment dropped by a greater amount, causing the rise in the jobless rate. In six of the past ten years, the unemployment rate declined between July and August. This year's increase was slight, however, and did not necessarily represent an emerging rise in joblessness.

Wage And Salary Employment Changes Only Slightly

Total non-agricultural wage and salary employment remained virtually unchanged in August. Manufacturing employment grew by 1,000 jobs, evenly divided between the durable and nondurable sectors. Employment increased slightly among scientific equipment and food processing firms and decreased in the paper and allied products sector. Construction employment rose by approximately 1,000, while retail trade grew by 2,100, attributable mostly to gains in eating and drinking establishments. Employment in services was up by 900, while the government sector declined by about 4,700 jobs. Most of this decrease occurred among local school districts which typically employ the fewest number of workers in the late summer.

Total wage and salary employment was 33,000 higher than in August, 1987, a 2.6 percent gain from a year ago. While all industry sectors have increased to some degree, services grew fastest. One in three of the new jobs was created in service businesses over the past year.

In coming months, seasonal factors will affect changes in employment. Declines in construction and recreation related businesses, and increases in education will cause shifts in various employment sectors. The unemployment rate will vary only slightly; typically it reaches its low in the early fall. However, claims for unemployment insurance will begin to rise as employment in construction and other seasonal work slackens. Usually, the number of initial claims rises noticeably in late October.

The strong economy and the diversity of industries have been responsible for continued employment growth in the Twin Cities metropolitan area. A downturn in one particular sector does not cause severe economic reversal or worker dislocation within such a broad-based economy. Over the past year, steady employment growth has been the norm in most sectors.

AREA	LABOR FORCE			EMPLOYMENT			UNEMPLOYMENT			UNEMPLOYMENT RATE		
	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987
Mpls-St.Paul MSA	1,395,973	1,399,593	1,354,757	1,350,263	1,356,409	1,301,440	45,710	43,184	53,317	3.3	3.1	3.9
REGION 11	1,310,835	1,314,169	1,272,300	1,267,975	1,273,924	1,222,256	42,860	40,245	50,044	3.3	3.1	3.9
Anoka	131,406	131,941	127,467	127,048	127,644	122,467	4,358	4,297	5,000	3.3	3.3	3.9
Carver	23,940	24,001	23,211	23,302	23,411	22,462	638	590	749	2.7	2.5	3.2
Dakota	138,114	138,547	134,148	133,623	134,250	128,805	4,491	4,297	5,343	3.3	3.1	4.0
Hennepin	631,151	632,521	612,325	610,041	612,904	588,045	21,110	19,617	24,280	3.3	3.1	4.0
Ramsey	284,887	285,593	276,924	275,715	277,009	265,774	9,172	8,584	11,150	3.2	3.0	4.0
Scott	28,408	28,408	27,618	27,413	27,541	26,424	995	867	1,194	3.5	3.1	4.3
Washington	72,929	73,158	70,607	70,833	71,165	68,279	2,096	1,993	2,328	2.9	2.7	3.3
Chisago	14,445	14,511	14,030	13,891	13,956	13,390	554	555	640	3.8	3.8	4.6
Isanti	12,359	12,442	12,012	11,979	12,035	11,547	380	407	465	3.1	3.3	3.9
Wright	32,823	33,049	31,921	31,715	31,865	30,571	1,108	1,184	1,350	3.4	3.6	4.2
St. Croix, WI	25,511	25,422	24,494	24,703	24,629	23,676	808	793	818	3.2	3.1	3.3
Bloomington	59,494	59,702	57,672	57,497	57,767	55,424	1,997	1,935	2,248	3.4	3.2	3.9
Minneapolis	221,193	221,446	214,988	212,700	213,698	205,031	8,493	7,748	9,957	3.8	3.5	4.6
St. Paul	152,073	152,450	148,158	146,373	147,060	141,095	5,700	5,390	7,063	3.7	3.5	4.8

Mpls.–St. Paul Nonagricultural Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS2/					
						Average Weekly Earnings		Av. Hourly Earnings		Average Weekly Hrs.	
	AUG. 1988	JUL. 1988	AUG. 1987	JUL. 1988	AUG. 1987	AUG. 1988	AUG. 1987	AUG. 1988	AUG. 1987	AUG. 1988	AUG. 1987
Total Nonagricultural	1317.5	1317.9	1284.2	0.0	2.6						
Manufacturing	**265.3**	**264.3**	**257.6**	**0.4**	**3.0**	**459.61**	**459.91**	**11.21**	**11.19**	**41.0**	**41.1**
Durable Goods	165.5	165.0	158.9	0.3	4.1	479.26	481.24	11.33	11.35	42.3	42.4
Lumber and Furniture	10.6	10.5	9.8	1.0	7.6	573.89	550.81	12.81	12.35	44.8	44.6
Stone, Clay and Glass	3.8	3.8	3.4	-1.4	12.0	480.46	472.32	11.69	11.72	41.1	40.3
Primary Metals	5.1	5.0	4.8	2.5	7.6	426.17	425.92	9.62	9.32	44.3	45.7
Fabricated Metals	26.1	26.2	25.9	-0.1	0.9	531.29	545.81	12.68	12.49	41.9	43.7
Nonelectrical Machinery	64.6	64.7	62.4	0.0	3.5	484.79	486.13	11.38	11.63	42.6	41.8
Office and Computing	31.6	31.9	31.7	-1.0	-0.2	499.29	503.86	11.22	12.20	44.5	41.3
Electrical Machinery	16.6	16.7	15.9	-0.5	4.4	374.22	381.11	9.24	9.41	40.5	40.5
Transportation Equipment	5.9	5.9	5.6	0.6	7.1	597.55	636.56	14.06	14.60	42.5	43.6
Scientific Instruments	29.4	28.9	27.9	1.6	5.5	448.79	440.16	10.66	10.48	42.1	42.0
Misc. Manufacturing	3.3	3.3	3.3	0.0	1.0	400.97	414.12	10.10	10.15	39.7	40.8
Nondurable Goods	99.7	99.3	98.7	0.4	1.1	430.17	429.94	11.03	10.94	39.0	39.3
Food and Kindred	19.2	18.9	19.1	1.3	0.4	463.20	428.98	11.27	10.54	41.1	40.7
Textiles and Apparel	2.3	2.2	2.1	2.0	8.0	267.50	251.20	6.93	6.92	38.6	36.3
Paper and Allied	25.3	25.6	25.5	-1.2	-0.7	454.40	465.53	11.36	11.41	40.0	40.8
Printing and Publishing	32.7	32.6	32.3	0.3	1.4	400.38	412.52	10.88	11.03	36.8	37.4
Chemicals and Petroleum	9.5	9.4	9.3	1.4	2.3	516.36	512.21	13.24	13.10	39.0	39.1
Rubber, Plastic & Leather	10.7	10.5	10.4	1.9	3.3	392.12	397.54	9.73	9.84	40.3	40.4
Nonmanufacturing	**1052.3**	**1053.6**	**1026.6**	**-0.1**	**2.5**						
Mining	0.6	0.6	0.6	0.9	0.2	352.80	208.78	11.20	8.03	31.5	26.0
Construction	59.9	58.9	59.7	1.8	0.3	652.63	635.90	17.04	16.56	38.3	38.4
Transp., Comm., Pub. Util.	69.6	70.0	69.5	-0.6	0.2						
Transportation	46.7	47.1	47.2	-0.9	-1.1						
Trucking & Warehousing	15.9	16.0	16.6	-0.8	-4.7	374.21	383.53	13.13	12.87	28.5	29.8
Comm. & Public Util.	23.0	22.9	22.3	0.1	2.9	594.91	600.70	14.51	14.58	41.0	41.2
Trade	326.4	324.6	319.2	0.5	2.2	261.79	259.92	8.64	8.55	30.3	30.4
Wholesale	87.4	87.7	84.5	-0.3	3.5	441.98	454.06	11.48	11.38	38.5	39.9
Retail	239.0	236.9	234.8	0.9	1.8	203.69	199.75	7.38	7.29	27.6	27.4
Building Materials	11.1	11.3	10.5	-1.6	6.6	373.69	369.76	9.86	9.53	37.9	38.8
General Merchandise	38.9	38.7	38.4	0.5	1.1	172.38	165.89	6.63	6.19	26.0	26.8
Food Stores	27.8	27.6	28.0	0.8	-0.7	253.13	241.97	8.61	8.52	29.4	28.4
Automotive	24.0	23.9	23.6	0.6	1.8	389.82	424.93	10.68	10.98	36.5	38.7
Apparel	12.7	12.5	12.9	1.3	-1.8	118.50	121.52	5.29	5.33	22.4	22.8
Home Furnishings	11.7	11.6	11.3	0.9	3.8	275.88	222.01	8.36	7.45	33.0	29.8
Eating and Drinking	82.3	81.2	80.5	1.3	2.2	128.45	115.14	5.42	5.14	23.7	22.4
Fin., Insur., Real Estate	97.1	96.9	94.4	0.1	2.8	-	-	-	-	-	-
Finance	41.4	41.5	40.3	-0.1	2.8	-	-	-	-	-	-
Insurance	38.6	38.4	37.3	0.6	3.6	-	-	-	-	-	-
Real Estate	17.0	17.0	16.8	-0.3	1.2	-	-	-	-	-	-
Services	337.9	337.0	326.9	0.3	3.4						
Personal Services	18.4	18.1	17.3	1.2	6.0						
Business Services	82.1	82.0	79.9	0.2	2.8						
Repair Services	15.6	15.7	14.5	-0.7	7.8						
Health Services	85.7	85.9	84.7	-0.2	1.1						
Hospitals	30.4	30.8	30.5	-1.3	-0.3						
Nursing Homes	21.6	21.7	22.3	-0.4	-3.0						
Legal Services	11.9	12.0	11.3	-0.9	5.5						
Private Education	13.9	13.9	13.8	0.3	0.9						
Government	160.7	165.4	156.2	-2.8	2.9						
Federal	20.6	20.7	20.0	-0.5	3.0						
State	48.9	48.9	47.0	-0.1	4.0						
Education	24.4	24.5	23.4	-0.3	4.5						
Local	91.2	95.8	89.1	-4.8	2.4						
Education	41.1	45.0	39.2	-8.7	4.8						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Central and Northwest Minnesota

AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMPLOYMENT RATE		
	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987
St. Cloud MSA	89,617	90,520	85,266	3,659	3,574	4,441	3.9	3.8	5.0
REGION 1	39,962	40,945	38,346	2,668	2,584	3,013	6.3	5.9	7.3
Kittson	2,373	2,378	2,327	210	185	183	8.1	7.2	7.3
Marshall	4,481	4,629	4,207	482	508	546	9.7	9.9	11.5
Norman	3,438	3,579	3,396	195	190	227	5.4	5.0	6.3
Pennington	6,439	6,322	6,066	328	359	360	4.8	5.4	5.6
Polk	13,254	13,885	12,945	1,029	921	1,157	7.2	6.2	8.2
Red Lake	1,381	1,407	1,472	194	189	285	12.3	11.8	16.2
Roseau	8,596	8,745	7,933	230	232	255	2.6	2.6	3.1
REGION 2	29,999	29,421	27,696	1,590	1,549	1,950	5.0	5.0	6.6
Beltrami	15,174	14,989	14,329	667	658	897	4.2	4.2	5.9
Clearwater	2,992	3,040	2,996	332	349	380	10.0	10.3	11.3
Hubbard	7,681	7,200	6,739	382	338	414	4.7	4.5	5.8
Lake of Woods	2,018	2,063	1,668	65	66	95	3.1	3.1	5.4
Mahnomen	2,134	2,129	1,964	144	138	164	6.3	6.1	7.7
REGION 4	93,598	94,448	89,879	3,905	3,773	4,473	4.0	3.8	4.7
Becker	13,287	13,343	13,504	666	636	844	4.8	4.5	5.9
Clay	24,808	25,009	23,674	864	868	972	3.4	3.4	3.9
Douglas	14,024	13,853	14,073	526	534	625	3.6	3.7	4.3
Grant	2,714	2,760	2,632	135	123	114	4.7	4.3	4.2
Otter Tail	24,344	24,624	22,362	1,181	1,110	1,258	4.6	4.3	5.3
Pope	4,527	4,687	4,108	194	180	249	4.1	3.7	5.7
Stevens	4,658	4,788	4,545	121	106	147	2.5	2.2	3.1
Traverse	2,185	2,238	2,017	63	56	67	2.8	2.4	3.2
Wilkin	3,051	3,146	2,964	155	160	197	4.8	4.8	6.2
REGION 5	58,663	59,283	54,381	3,336	3,050	3,724	5.4	4.9	6.4
Cass	8,719	8,685	8,167	593	599	741	6.4	6.5	8.3
Crow Wing	21,838	21,881	20,020	993	907	1,133	4.3	4.0	5.4
Morrison	13,517	13,534	12,397	768	789	874	5.4	5.5	6.6
Todd	9,899	10,215	9,532	627	536	621	6.0	5.0	6.1
Wadena	4,690	4,968	4,265	355	219	355	7.0	4.2	7.7
REGION 6E	54,678	54,800	51,716	2,097	2,064	2,423	3.7	3.6	4.5
Kandiyohi	18,989	19,186	17,590	613	625	753	3.1	3.2	4.1
McLeod	18,777	17,793	16,852	545	551	594	2.8	3.0	3.4
Meeker	8,189	8,304	7,884	468	455	549	5.4	5.2	6.5
Renville	8,723	9,517	9,390	471	433	527	5.1	4.4	5.3
REGION 7E	49,801	50,117	47,193	2,372	2,266	2,603	4.5	4.3	5.2
Chisago	13,891	13,956	13,390	554	555	640	3.8	3.8	4.6
Isanti	11,979	12,035	11,547	380	407	465	3.1	3.3	3.9
Kanabec	5,598	5,655	5,582	377	341	425	6.3	5.7	7.1
Mille Lacs	9,199	9,290	7,997	452	392	452	4.7	4.0	5.3
Pine	9,134	9,181	8,677	609	571	621	6.3	5.9	6.7
REGION 7W	121,332	122,385	115,837	4,767	4,758	5,791	3.8	3.7	4.8
Benton	14,073	14,215	13,390	621	634	742	4.2	4.3	5.3
Sherburne	16,893	17,063	16,073	885	826	910	5.0	4.6	5.4
Stearns	58,651	59,242	55,803	2,153	2,114	2,789	3.5	3.4	4.8
Wright	31,715	31,865	30571	1,108	1,184	1350	3.4	3.6	4.2

ST. CLOUD MSA NONFARM WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT			PERCENT CHANGE FROM	
	August 1988	July 1988	August 1987	MONTH AGO	YEAR AGO
Total Nonagricultural Wage & Salary	69,926	70,074	67,788	-0.1	3.2
Total Manufacturing	12,811	12,718	11,899	0.7	7.7
Durable Goods	7,083	6,967	6,674	1.7	6.1
Nondurable Goods	5,728	5,751	5,225	-0.4	9.6
Total Nonmanufacturing	57,165	57,356	55,889	-0.3	2.3
Construction & Mining	4,150	4,072	4,512	1.9	-8.0
Transp., Comm., & Pub. Utilities	3,620	3,638	3,323	-0.5	8.9
Trade	22,371	22,441	20,909	-0.3	7.0
Wholesale Trade	3,674	3,733	3,451	-1.6	6.5
Retail Trade	18,697	18,708	17,458	-0.1	7.1
Finance, Insur., & Real Estate	2,450	2,485	2,372	0.2	3.3
Services	14,354	14,234	13,998	0.8	2.5
Health Services	5,165	5,165	5,019	0.0	2.9
Other Services	9,189	9,069	8,979	1.3	2.3
Government	10,220	10,326	10,775	-2.9	-5.2

By Ron Daws

Employment And The Unemployment Rate Remain Essentially Level For The Last Three Months

Usually, unemployment declines over the summer, but this year it held at near record low levels. In the St. Cloud MSA, for example, the rates for June, July and August have been 3.9, 3.8 and 3.9 percent compared to 5.8, 5.2 and 5.0 percent last year. Rates probably couldn't have gone much lower this year given there are always some workers unemployed while changing jobs. Also encouraging is that although the number of jobs in August may be hovering a little below or over the number in July, in every region they are considerably above year-ago levels. In the St. Cloud MSA, total employment was up 5.1 percent or 4,351 jobs.

Benefiting the MSA's employment most was the manufacturing industry--not typically the best performer in the state or nation. Compared to the over-the-year 3.2 percent job increase for all nonfarm payroll jobs, manufacturing rose by 7.7 percent, driven by both durables and nondurables. The average job increase for all nonmanufacturing employers, in contrast, was 2.3 percent.

The job increase among nonmanufacturers would have been greater had not construction employment dropped 8.0 percent over the year, and government declined by 5.2 percent. Together they accounted for over 900 lost jobs.

Main contributors to the MSA's job increase were transportation, communication and public utilities (up 8.9% over the year) and trade (up 7.0%).

Normally, the MSA's employment increases over the month. This year it wouldn't budge, cutting roughly in half the over-the-year job increase we've become used to seeing during 1988. Perhaps the economy is cooling off. Even if so, with employment having risen so fast, and unemployment having been so low, there's no cause for concern yet.

Northeast Minnesota

By Ron Daws

Unemployment Rates Defied The Usual Trend And Rose In August

Unemployment rates across Region 3, and especially Duluth, rose in August. While Region 3's increase between July and August was unobtrusive at 5.6 to 5.7 percent, Duluth's rate jumped from 5.2 to 5.5 percent. Last year, Duluth's rate dropped from 7.6 to 6.2 percent. While rates across Region 3 (including Duluth) remain well below those of last August, we may be seeing that, 1) rates were about as low this summer as they could go, and 2) the economy may be changing and this is just the onset of upward creeping unemployment. Typically, unemployment is lightest during September, and then it rises as winter approaches. Rising unemployment in September would be further warning.

Employment in Region 3, meanwhile, rose over the year, although it dropped slightly over the month. In Duluth, however, employment fell by about 1,000 workers over the year. Between February and July this year, Duluth had employed more workers than during the same months last year, so we have another indication that Duluth's economy may be worsening.

Looking at employment changes within Duluth's industries, we find only 186 more nonfarm payroll jobs over the month, and only 197 more over the year.

Over the month only a few industries changed significantly. Durable goods manufacturers collectively lost 4.1 percent of their jobs, construction grew by 13.2 percent, and the large retail trade sector added 2.4 percent more jobs. Of these changes, only the decrease in durable goods was unusual.

Compared to August last year, the significant differances were in construction where jobs were down by 30.5 percent, durable goods producing which was down 4.7 percent, wholesale trade which was down 5.1 percent, and services, mining and miscellaneous which was up by 4.6 percent.

AREA	LABOR FORCE			EMPLOYMENT			UNEMPLOYMENT			UNEMPLOYMENT RATE		
	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987
REGION 3	138,467	139,082	136,600	130,583	131,252	125,648	7,884	7,830	10,952	5.7	5.6	8.0
Aitkin	5,118	4,974	5,214	4,755	4,611	4,758	363	363	456	7.1	7.3	8.7
Carlton	12,252	12,368	11,917	11,536	11,645	11,093	716	723	824	5.8	5.8	6.9
Cook	3,289	3,194	2,946	3,185	3,097	2,830	104	97	116	3.2	3.0	3.9
Itasca	17,097	16,836	16,660	15,945	15,563	15,184	1,152	1,173	1,476	6.7	7.0	8.9
Koochiching	7,716	8,281	7,256	7,333	7,880	6,811	383	401	455	5.0	4.8	6.3
Lake	3,974	4,096	3,517	3,622	3,743	2,981	352	353	536	8.9	8.6	15.2
St. Louis	89,021	89,333	89,080	84,207	84,613	81,991	4,814	4,720	7,089	5.4	5.3	8.0
City of Duluth	38,461	38,511	37,740	36,347	36,522	35,390	2,114	1,989	2,350	5.5	5.2	6.2
Balance St. Louis	50,560	50,822	51,340	47,860	48,091	46,601	2,700	2,731	4,739	5.3	5.4	9.2

DULUTH AND DULUTH-SUPERIOR MSA NONFARM WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT - DULUTH			PERCENT CHANGE		EMPLOYMENT DULUTH-SUPERIOR			PERCENT CHANGE	
	August 1988	July 1988	August 1987	MO. AGO	YR. AGO	August 1988	July 1988	August 1987	MO. AGO	YR. AGO
Total Nonfarm Wage & Salary	44,230	44,044	44,033	0.4	0.4	89,662	89,628	88,888	0.0	0.9
Total Manufacturing	3,807	3,873	3,842	-1.7	-0.9	7,829	7,856	7,705	-0.3	1.6
Durable Goods	1,512	1,576	1,586	-4.1	-4.7	4,234	4,255	4,120	-0.5	2.8
Nondurable Goods	2,295	2,297	2,256	-0.1	1.7	3,595	3,601	3,585	-0.2	0.3
Total Nonmanufacturing	40,423	40,171	40,191	0.6	0.6	81,833	81,772	81,183	0.1	0.8
Construction	1,628	1,438	2,343	13.2	-30.5	4,010	3,682	5,260	8.9	-23.8
Transp., Com., Pub. Util.	2,845	2,867	2,896	-0.8	-1.8	6,111	6,140	5,884	-0.5	3.9
Total Trade	11,380	11,158	11,165	2.0	1.9	22,142	22,170	22,387	-0.1	-1.1
Wholesale Trade	1,607	1,617	1,693	-0.6	-5.1	3,501	3,516	3,545	-0.4	-1.2
Retail Trade	9,773	9,541	9,472	2.4	3.2	18,641	18,654	18,842	-0.1	-1.1
Finan., Insur., Real Est.	1,861	1,848	1,842	0.7	1.0	3,254	3,256	3,161	-0.1	2.9
Services, Mining, & Misc.	12,512	12,475	11,967	0.3	4.6	26,573	26,405	25,137	0.6	5.7
Health Services	5,518	5,543	5,255	-0.5	5.0	9,036	9,017	8,510	0.2	6.2
Other Services	5,981	5,919	5,762	1.0	3.8	10,913	10,742	10,304	1.6	5.9
Government	10,197	10,385	9,978	-1.8	2.2	19,743	20,119	19,354	-1.9	2.0

Southern Minnesota

By Sue Borgfelt

AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMPLOYMENT RATE		
	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987	Aug 1988	July 1988	Aug 1987
REGION 6W	23,600	23,902	22,905	848	829	1,171	3.5	3.4	4.9
Big Stone	2,937	3,001	2,766	117	113	158	3.8	3.6	5.4
Chippewa	6,310	6,436	6,348	245	234	305	3.7	3.5	4.6
Lac Qui Parle	4,039	4,129	3,867	124	112	158	3.0	2.6	3.9
Swift	4,630	4,627	4,413	190	201	283	3.9	4.2	6.0
Yellow Medicine	5,684	5,709	5,511	172	169	267	2.9	2.9	4.6
REGION 8	58,636	59,585	55,345	2,002	2,356	2,808	3.3	3.8	4.8
Cottonwood	5,781	5,914	5,564	352	531	461	5.7	8.2	7.7
Jackson	4,913	5,030	4,777	304	316	594	5.8	5.9	11.1
Lincoln	3,076	3,160	3,090	66	96	97	2.1	2.9	3.0
Lyon	12,147	12,226	11,646	352	414	478	2.8	3.3	3.9
Murray	4,650	4,749	4,400	184	209	203	3.8	4.2	4.4
Nobles	10,663	10,809	9,459	299	317	369	2.7	2.8	3.8
Pipestone	5,491	5,499	4,890	125	147	130	2.2	2.6	2.6
Redwood	7,463	7,632	7,166	231	219	313	3.0	2.8	4.2
Rock	4,452	4,566	4,353	89	107	163	2.0	2.3	3.6
REGION 9	108,323	108,131	104,352	3,503	3,471	4,777	3.1	3.1	4.4
Blue Earth	27,240	27,680	26,024	776	709	915	2.8	2.5	3.4
Brown	13,598	13,609	13,300	467	471	477	3.3	3.3	3.5
Faribault	8,436	8,486	7,975	248	247	319	2.9	2.8	3.8
Le Sueur	11,818	11,084	11,035	518	584	711	4.2	5.0	6.1
Martin	10,956	10,788	12,093	531	500	1,016	4.6	4.4	7.8
Nicollet	13,965	14,190	13,341	331	295	456	2.3	2.0	3.3
Sibley	6,723	6,755	6,388	234	244	328	3.4	3.5	4.9
Waseca	9,775	9,620	9,064	262	272	377	2.6	2.7	4.0
Watonwan	5,812	5,919	5,132	136	149	178	2.3	2.5	3.4
REGION 10	216,962	218,086	205,744	6,819	6,911	8,711	3.0	3.1	4.1
Dodge	7,945	8,154	7,675	269	309	400	3.3	3.7	5.0
Fillmore	9,159	9,332	9,074	429	436	503	4.5	4.5	5.3
Freeborn	16,858	17,032	15,869	525	487	807	3.0	2.8	4.8
Goodhue	20,493	20,354	19,625	638	658	829	3.0	3.1	4.1
Houston	8,975	9,050	8,510	322	342	364	3.5	3.6	4.1
Mower	15,902	16,130	15,857	533	564	786	3.2	3.4	4.7
Olmsted	59,034	58,875	55,984	1,409	1,505	1,734	2.3	2.5	3.0
Rice	27,216	27,799	24,859	961	906	1,240	3.4	3.2	4.8
Steele	16,143	16,209	15,694	550	526	663	3.3	3.1	4.1
Wabasha	9,393	9,366	8,980	309	322	416	3.2	3.3	4.4
Winona	25,844	25,785	23,617	874	856	969	3.3	3.2	3.9
Rochester City	36,504	36,406	34,618	1,028	1,118	1,206	2.7	3.0	3.4

Employment and Unemployment Drop in Southern Minnesota.

For most of Southern Minnesota (excepting Region 9), the number of employed and unemployed declined as the number of people in the labor force decreased. These were all largely seasonal developments, and resulted in a slight seasonal drop in the overall unemployment rate from 3.2 percent last month to 3.1 percent this August.

The labor force and employment continued to rise in some counties, especially in regions 9 and 10. Nonfarm employment in the Rochester MSA grew 0.9 percent over the month, to bring it 3.5 percent higher than it was during August 1987. Health services and construction propelled this rise, adding 313 and 165 jobs, respectively, over the month. Workers in the booming construction industry increased by 7.7 percent since July, a healthy increase even for this time of year. Employment in transportation, communication, and public utilities jumped 2.7 percent over the month.

Wholesale trade, durable goods manufacturing, and construction employment levels were each up by more than seven percent over the year. The number of jobs in wholesale trade has risen gradually every month since February to reach the highest level since September 1984. Durable goods manufacturing, except for last month, employed more workers than at any other time since at least 1975, as far back as our records go. Construction employment is higher than at any time since September 1980.

Nonmedical services, government (for mostly seasonal reasons), and finance, insurance and real estate lost jobs over the month. Nondurable goods manufacturing was the only industy to lose jobs since last year. Most likely this was drought-related, because the over-the-year percent gain gradually diminished from 5.2 percent in March to 1.4 percent in July. During August, employment was slightly below last year's level (by 0.2 percent or 5 jobs).

ROCHESTER MSA NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT			PERCENT CHANGE FROM	
	August 1988	July 1988	August 1987	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	**59,289**	**58,776**	**57,283**	**0.9%**	**3.5%**
Total Manufacturing	**11,696**	**11,665**	**11,028**	**0.3%**	**6.1%**
Durable Goods	9,594	9,594	8,921	0.0%	7.5%
Nondurable Goods	2,102	2,071	2,107	1.5%	-0.2%
Total Nonmanufacturing	**47,593**	**47,111**	**46,255**	**1.0%**	**2.9%**
Construction & Mining	2,301	2,136	2,148	7.7%	7.1%
Transp., Comm., & Public Util.	1,742	1,697	1,662	2.7%	4.8%
Total Trade	11,687	11,619	11,553	0.6%	1.2%
Wholesale Trade	1,295	1,280	1,201	1.2%	7.8%
Retail Trade	10,392	10,339	10,352	0.5%	0.4%
Finan., Insur., & Real Estate	1,649	1,672	1,579	-1.4%	4.4%
Total Services	25,034	24,771	24,246	1.1%	3.3%
Health Services	17,788	17,475	17,058	1.8%	4.3%
Other Services	7,246	7,296	7,188	-0.7%	0.8%
Government	5,180	5,216	5,067	-0.7%	2.2%

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Selected Minnesota Program Statistics

Distribution of Insured Unemployed by Industry and Occupation, August 1988

Industry Attachment	Number	Percent of Total	Percent */ Long-Term Unemployed	Women as Percent of Total
TOTAL, ALL INDUSTRIES	24519	100.0	22.0	44.5
Ag., For., Fish.	297	1.2	14.2	34.7
Mining	31	0.1	33.3	20.8
Construction	3161	12.9	18.0	6.1
Manufacturing	5899	24.1	24.9	40.6
Public Utilities	1080	4.4	24.1	28.1
Wholesale Trade	1962	8.0	26.5	36.8
Retail Trade	3128	12.8	24.3	52.3
Fin., Ins., Re. Est.	1232	5.0	31.3	64.7
Services	6489	26.5	18.5	64.1
Public Admin.	403	1.6	20.1	64.8
Info. Not Available	837	3.4	7.3	38.0

Distribution of Insured Unemployed, by Age and Sex, August 1988

Age Groups	Number	Percent Distribution		
		Men of Totals	Men of Men	Women of Women
TOTALS	24519	55.7	100.0	100.0
Under 45	18037	56.5	74.6	72.2
Under25	2409	57.5	10.1	9.4
25-34	8987	57.2	37.7	35.4
35-44	6641	55.2	26.8	27.4
45 and over	6482	53.5	25.4	27.8
45-54	3851	53.3	15.0	16.5
55 and over	2631	53.6	10.4	11.2

Experienced Supply/Job Openings Demand **/

Occupational Attachment					Applicants (Supply) August 1988	Job Openings (Demand) August 1988	Supply/Demand Ratio Aug. 1988	Supply/Demand Ratio Aug. 1987
TOTAL, ALL OCCUPATIONS	24519	100.0	22.0	44.5	69514	29762	2.3	3.5
Prof., Tech., Mgr.	6588	26.9	23.2	48.6	12749	2677	4.8	6.5
Clerical	3916	16.0	25.1	84.6	13525	4613	2.9	3.7
Sales	1281	5.2	26.1	36.4	4260	3592	1.2	1.9
Services	1924	7.8	21.0	60.0	7902	8839	0.9	1.6
Farm, For., Fish.	210	0.9	18.9	22.9	2761	632	4.4	14.2
Processing	803	3.3	25.4	45.5	1326	2046	0.6	1.2
Machine Trades	1349	5.5	19.7	20.1	4060	1007	4.0	5.8
Benchwork	1910	7.8	18.6	61.3	4313	1598	2.7	3.7
Structural Work	3622	14.8	17.4	2.8	9006	1567	5.7	8.8
Misc., and INA	2916	11.9	21.9	26.4	9612	3191	3.0	3.9

*/ Long-term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.
**/ Inexperienced and improperly coded job applicants are not included in this table.